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Human resources management

Report of the Secretary-General on the activities of the Office of Internal Oversight Services

Implementation of all provisions of General Assembly resolution 55/258 on human resources management

Note by the Secretary-General*

1. Pursuant to General Assembly resolutions 48/218 B of 29 July 1994, 54/244 of 23 December 1999 and 56/253 of 24 December 2001, the Secretary-General has the honour to transmit, for the attention of the General Assembly, the attached report, conveyed to him by the Under-Secretary-General for Internal Oversight Services, on the implementation of all provisions of General Assembly resolution 55/258 of 14 June 2001, on human resources management.

2. The Secretary-General takes note of the findings set out in the report and concurs with the suggestions outlined for further development of the human resources management reform.

* The present report was delayed due to extensive consultations between the Office of Internal Oversight Services and the Office of Human Resources Management.

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Summary

In its resolution 56/253, the General Assembly requested the Secretary-General to conduct an evaluation through the Office of Internal Oversight Services (OIOS) of the implementation of all provisions contained in resolution 55/258 on human resources management. The present report addresses not only the implementation status of specific provisions on human resources management, but also offers a broader perspective on the overall progress of the human resources management reform.

OIOS is of the opinion that, although it is too early to assess the full impact of the human resources management reform, the Office of Human Resources Management (OHRM) has made significant progress in implementing a number of reform initiatives.

The integrated approach to recruitment, selection, promotion and mobility, streamlining of rules and regulations, introducing human resources action plans, defining corporate values and competencies, providing a management development programme as well as a variety of career development tools for staff all indicate the transition of OHRM from an administrative, oversight function to a more strategic, partnering role. The launch of the human resources electronic handbook, the Galaxy system, the electronic performance appraisal system (e-PAS) and the generic job profiles on the Intranet are evidence that OHRM is making effective use of information technology in the reform process.

OIOS is of the opinion that in order for the reform to reach the next level, its elements should be linked systemically, not just with each other, but also with other reform initiatives at the United Nations. OIOS recognizes that although OHRM can take the lead in introducing new initiatives, their successful implementation at the organizational level will depend upon the mutual cooperation between different partners and bodies throughout the Organization in support of a culture of change.

Furthermore, OIOS is of the opinion that OHRM could assume a more strategic role in the Organization if it is included in those organizational initiatives that contain a staffing component early in the design stage. Additionally, to be perceived as a strategic asset, OHRM should strengthen its ability to measure the impact of its activities on the Organization's performance and, if necessary, refocus initiatives to achieve stronger alignment with the Organization's operational goals.

The present report proposes specific actions to further advance the human resources management reform process, subsumed under the following four themes: strategic orientation; result-oriented evaluation systems; linkages; and maximized efficiency of administrative human resources processes. Key recommendations include:

(a) Appropriate mechanisms to cope with the increased number of applications received through the Galaxy system need to be established urgently;

(b) Mobility needs to be supported through greater efforts to improve conditions of service at different duty stations and to streamline administrative procedures;

(c) E-PAS needs to be linked closely with tangible rewards and staff contributions to organizational goals;

(d) Ongoing client surveys and feedback mechanisms for different human resources functions need to be established in order to ensure that provided services add value to the Organization;

(e) Resources for training, career development and knowledge management need to be adjusted to reflect the increased demand for such activities against the backdrop of a new mobility policy.

The report also includes an overview of the new approach taken by OIOS to support OHRM in assessing and refining its primary objectives, current roles, responsibilities and core functions and aligning them with its ongoing reform efforts. Through a series of consultations facilitated by OIOS in partnership with OHRM staff and management, a revised OHRM mission statement was formulated and guiding principles for further implementation of envisaged change were developed.

In conclusion, OIOS, in its consultative role as well as through the present report, supports the efforts of OHRM to fully realize the reform goals. In order to realize even greater benefits, OIOS has offered specific suggestions for further advancing the reform, some of which are already being implemented within OHRM.

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I. Introduction

1. Human resources management reform at the United Nations Secretariat, which draws on the recommendations of respected task forces and much internal debate, has been implemented at a consistent pace for the past five years. Begun in 1998,[1] it has recently gained significant momentum and sophistication through the integration of separate reform initiatives into a comprehensive strategy. The approach is now based on 10 integrated building blocks for the reform of human resources management, which are supported by clearly defined principles.[2] Member States endorsed the strategy in General Assembly resolution 55/258.

2. When the General Assembly requested the Secretary-General to conduct an evaluation through the Office of Internal Oversight Services (OIOS) of the implementation of all provisions contained in resolution 55/258 on human resources management,[3] OIOS combined this mandated activity with a consultancy request from the Department of Management. The rationale for this approach was to amplify the impact of OIOS efforts. Management consulting services provided by OIOS, assisted the Office of Human Resources Management (OHRM) in assessing and refining its primary objectives, current roles, responsibilities and core functions in conjunction with the current reform initiatives. OIOS also supported OHRM in its search for, and implementation of, solutions.

II. Objectives and methodology

3. The present report addresses not only the implementation status of specific provisions on human resources management reform, but also offers a broader perspective on the overall progress to date. Although results of the reform initiatives will only be fully evident in the long run, it is crucial to gauge progress towards desired outcomes and to validate strategies and actions. In addition, the report includes an overview of the new approach taken by OIOS to support its clients. The outcome of the progress review as well as of the consulting services provided by OIOS have been brought together in suggestions for further reform measures.

4. In order to evaluate the implementation of all provisions in resolution 55/258 and to analyse the status of the human resources management reform, OIOS gathered quantitative and qualitative data on human resources management in the Secretariat, reviewed relevant documents and interviewed senior management as well as operational officers in OHRM. In addition, human resources benchmarking was used to learn about best practices in selected international organizations and transnational companies.

5. To assess the reform from the client perspective, OIOS conducted a web-based survey among the heads of departments, executive officers, chiefs of administration, chiefs of personnel and directors of substantive divisions who are largely responsible for effecting the reform.[4] The OIOS survey covered all areas of the human resources management reform and also solicited feedback for future reform initiatives. The results are incorporated in the analysis contained in section III below.

6. In this report, OIOS focuses on a number of strategic human resources management reform drivers that are considered as critical for achieving the overall objectives of the Organization. Human resources planning, the new staff selection

system, mobility, competencies, continuous learning and career development, the performance appraisal system (e-PAS), as well as monitoring human resources management activities, enhanced conditions of service and streamlining of rules and procedures are discussed. A detailed review of the implementation of all provisions of resolution 55/258 is provided in the annex to the present report.

7. A draft of the report was made available to the Department of Management for its review. The comments of the Department have been taken into account and appear in italics.

III. Findings and observations

8. Although this report analyses each of the human resources management reform initiatives separately, OIOS is of the opinion that in order for the reform to reach the next level, its elements should be linked systemically, not just with each other, but also with other reform initiatives at the United Nations. For example, linking performance appraisal with results-based management would increase the impact of those initiatives on staff productivity.

9. Another main theme is the envisioned transition of OHRM from a professional administrative service to a strategic partner in the Organization. Since many of the Organization's initiatives contain a staffing component, OHRM could perform an even greater value-added role if included in departmental discussions early in the design stage of any reform initiative. Additionally, to enhance the strategic role of human resources management, OHRM should strengthen its ability to measure the impact of its activities on the Organization's performance and, if necessary, refocus initiatives to achieve stronger alignment with the Organization's operational goals.

A. Human resources planning

Progress review

10. Human resources planning is one of the key elements in enhancing the Organization's ability to achieve its objectives. As indicated by the Secretary-General,[5] human resources action plans are the main tool for departmental human resources planning. The plans contain measurable targets and hold heads of departments accountable for achieving these goals as part of their compact with the Secretary-General.

11. On the Secretariat-wide level, human resources planning is based on the analysis of demographic characteristics provided in the report on the composition of the Secretariat.[6] OIOS noted that OHRM is establishing a new Planning, Administration and Monitoring Service to support the human resources planning capacity throughout the Secretariat.[7]

12. The introduction of human resources action plans in 1999 was, in the view of OIOS, an important step forward in providing a tool for planning, monitoring and infusing a sense of accountability for human resources management at the departmental level. OIOS encourages OHRM in its ongoing efforts to include more indicators in the action plans that enhance planning at the departmental level. The

action plans also received positive ratings from department heads responding to the OIOS survey.

Remaining challenges

13. In the opinion of OIOS, in order to serve as better planning tools, human resources action plans need further refinement, stronger alignment with the department's operational goals and a stronger link to the new staff selection system. Additional targets and indicators that directly link human resources planning to the implementation of departmental work plans, for example, through identifying future technical skills and setting targets for the acquisition of such skills through training or recruitment, would improve the value of action plans as planning tools.

14. In addition, setting departmental targets at the average levels of the Secretariat as a whole does not necessarily provide meaningful information for heads of departments and does not ensure effective planning. For example, raising the mobility index above the Secretariat average, as the target on mobility in the action plans states, may increase mobility, but does not necessarily result in better staff performance.

15. Targets for rejuvenating the Organization should also reflect the need to empower younger staff members. Additional indicators measuring average age by grade or age distribution of staff receiving promotions have the potential to assist the Organization in realizing its commitment to rejuvenation.

16. OIOS strongly encourages OHRM to strengthen human resource planning capacity at the Secretariat-wide level through establishing closer linkages with recruitment and training programmes.

B. Staff selection system and the Galaxy system

Progress review

17. According to the respondents of the OIOS survey, the new staff selection system and the launch of the Galaxy system, its global web-based tool, are among the most successful initiatives of the human resources management reform. The new staff selection system addresses a multitude of issues in recruitment, mobility and promotion in an integrated manner and makes creative use of information technology.[8] OHRM also launched a Secretariat-wide communication and learning support programme to introduce the new staff selection system. In addition, around 174 generic job profiles have been developed and posted on the Intranet.

18. Although there are still some technical glitches, OIOS noted that various initiatives are under way to improve the use of the Galaxy system, including: creating and maintaining personal history profiles (PHPs), managing vacancies and enhancing the selection process. An "e-staffing" help desk and training programmes to support implementation of the new system, including competency-based interviewing, are provided by OHRM.

19. Future development at the Galaxy system will focus on technical upgrades, harmonizing the workflow between different functional entities in the recruitment process, introducing new modules (for example e-Benefits; e-Contact; e-Offer;

e-Induction/Separation) and installing mechanisms that will ensure that training is constantly available through an online user manual. OIOS supports these initiatives.

20. OIOS noted that in the period between the launch of the Galaxy system in May 2002 and January 2003, the number of applications for vacancies roughly doubled compared to the same period of the previous year: 155,000 applications from 198 countries have been received online and 608 vacancies have been posted, resulting in an average number of 238 applications for vacancy announcements in the Professional category and above and 113 for the General Service and related categories.[9] A much wider variety of people are now accessing vacancy announcements.

21. The OIOS survey reveals that the majority of interviewees were generally satisfied with the new system. Critical remarks, expected with the introduction of any new system, related mainly to technical problems and to the missing link between the Integrated Management Information System (IMIS) and data entry into PHPs for internal applicants, the lack of efficient devices to pre-screen applications, the excessive dependency on human resources case officers in the process of posting vacancies and the lack of online user manuals. More than half of the respondents, mainly division directors who are predominantly faced with the task of reviewing and recommending candidates, were of the opinion that the new staff selection would not accelerate the selection process.

22. It was demonstrated to OIOS that the Galaxy system simplifies the production of monitoring reports and enhances tracking and transparency throughout the selection process for all parties involved in the recruitment. Regarding transparency and monitoring capacities, the responses to the OIOS survey were unambiguous. Almost all agreed that the new staff selection system would promote transparency in the selection process and enhance monitoring and tracking capacities.

Remaining challenges

23. The ultimate proof of success for the new staff selection system will be that it increases the timeliness of filling vacancies, helps reduce resources spent on purely administrative functions, attracts staff of higher quality and improves the perception of the United Nations as a fair and transparent employer. Although it is still too early to assess the process, OIOS believes that relevant mechanisms should be established to measure progress in achieving these objectives.

24. Despite the significant advantages of the Galaxy system, it should be noted that its accessibility does pose a risk to the achievement of the objectives of the new staff selection system. The enormous number of applications puts immense pressure both on the human resources case officers and the programme managers responsible for reviewing and recommending candidates, which may significantly delay the recruitment process. In addition, the sheer volume of applications could lead to sub-optimal recruitment decisions that negatively impact on the performance of the Organization and its image as an employer seeking the most qualified candidates.

25. Appropriate mechanisms to cope with the growing numbers of applications through the Galaxy system need to be introduced urgently. OHRM needs to determine whether this issue can be resolved solely through technological improvements to the system or whether it requires changes in the recruitment system itself.

26. In the light of the increasing availability of information systems in human resources, OIOS strongly encourages OHRM to enhance linkages, especially between the Galaxy system and IMIS, in order to improve efficiency by avoiding duplicate data entry as well as to ensure that data in both systems is consistent. For example, the automatic transfer of data from IMIS and e-PAS into PHPs would facilitate the application of internal candidates.

C. Mobility

Progress review

27. The introduction of the new mobility policy as an integrated element of the new staff selection system represents a significant innovation for the Organization. The shift from a voluntary to a managed approach and the introduction of several mechanisms to promote mobility are expected to have a significant impact on the Organization. Although the mobility policy contains a coercive element, which requires staff to move after five or six years on one post, it focuses primarily on encouraging voluntary mobility through a number of means: promoting lateral moves in the selection process; establishing generic job profiles; creating occupational networks; encouraging mission service; and providing career development counselling.

28. Further initiatives are under way to promote mobility by addressing work/life issues. OHRM is exploring methods to improve spousal employment and investigating contractual arrangements and benefits offered to Secretariat staff working in field locations with the goal of ensuring that they are comparable or equivalent to those of the United Nations funds and programmes. OIOS is of the opinion that efforts to expand exchanges with other funds and programmes will enrich the experience of staff members and encourages OHRM to pursue this effort vigorously.

29. According to the OIOS survey, the initiative to enhance mobility is one of the five most successful elements of the human resources management reform. The majority of the respondents were knowledgeable about the mobility elements of the new staff selection system.

30. After conducting three voluntary managed reassignment cycles for young professionals, OHRM recently concluded the first cycle of its managed reassignment programme for young professionals. Over a period of five months, the Office managed the mobility of young professionals recruited between January and August 2000. A significant number of the young professionals fulfilled the mobility requirement without recourse to the centrally managed reassignment programme — clearly an indication that they were willing to take advantage of the new opportunities and a promising sign for the successful implementation of the mobility policy on a larger scale. A total of 60 people moved through both processes across functions, departments, occupations and duty stations.

Remaining challenges

31. The preferred method to increase staff mobility is for staff members to take responsibility for their own careers. This would give them greater control and would conserve OHRM resources. Hence, offering incentives to promote mobility is the most effective way to ensure a smooth implementation of the new mobility policy. Voluntary mobility also needs to be supported through streamlined administrative procedures and processes that facilitate staff transfers and integration into new duty stations.

32. Although the mobility policy has a five-year grace period, the placing of a small number of staff members in suitable positions by OHRM in 2007 will, based on experience with the managed reassignment programme for young professionals, require significant resources. OIOS is of the opinion that developing a plan for managing mobility in 2007 should be assigned a high priority by OHRM.

33. Since increased mobility can negatively impact institutional memory, it is also essential that mechanisms for knowledge transfer and continuity of expertise are built into the mobility process. Strong efforts to institutionalize knowledge management practices, starting at the level of units, sections and divisions, should complement efforts to promote mobility. Such an approach would also avert potential resistance from programme managers who are reluctant to lose staff perceived as critical to programme delivery.

34. Staff mobility, to prove its value, must ultimately enhance the productivity of people in the Organization through broadening their experiences and increasing their work satisfaction. The mobility index currently measures the level of promotions and transfers in a given department. Hence, it is a measure of activities, not results. An enhanced index could provide information on the impact of mobility on individual performance and satisfaction and on the capacity of departments to implement their work programmes. Meaningful criteria and respective measures to capture the impact of increased mobility would be advantageous to OHRM in its efforts to assess programme success.

D. Competencies, continuous learning and career development

Progress review

35. The foundation of a high-performing organization is well-trained staff, in possession of a set of clearly defined competencies and core values, who strive constantly for career development. In a relatively short time period, OHRM has implemented a number of programmes to promote such characteristics at the United Nations.

36. Organizational and managerial competencies and values were developed through a participatory process and disseminated effectively throughout the Organization. They are also well integrated in various elements of the recruitment process and in the e-PAS. Training programmes are provided centrally to build an Organization-wide culture, or are decentralized when appropriate. Some programmes are also available online and plans exist to expand distance learning programmes. The *Staff Development Activities Report*, a monitoring report on training activities, is published annually by OHRM. In addition, a variety of career

development tools (the Career Support Guide, mentoring programme, the Career Resource Centre and career development workshops) are offered to staff.

37. Respondents to the OIOS survey rated "competencies and continuous learning" and career development as one of the three most successful initiatives implemented by OHRM since 2000. They further indicated that the competency booklet proved to be useful in the performance of their work. The following learning programmes were rated as the five most valuable with regard to building competencies: (a) information technology training, (b) language programmes, (c) collaborative negotiation skills, (d) the orientation programme for junior professionals and (e) competency-based interviewing.

Remaining challenges

38. OIOS believes that the annual staff development activities report could benefit from a more strategic focus. In addition to collecting input data (for example, the number of staff attending training), OHRM may want to supplement its current practice by using an expanded methodology to systematically assess the impact of selected training programmes. In order to establish a clear link between work plans, human resources action plans and skill development programmes, there would be value in providing the Organization with an analysis of what aspects of performance improvement in various areas could be attributed to training.

39. A global, dynamic organization that is significantly characterized by the mobility of its staff relies on continuous learning to ensure that staff can adapt to the changing requirements of their work environment. A strong linkage between continuous learning and human resources planning would help to anticipate the rising need for certain types of training caused by increased mobility. Furthermore, training programmes have to be linked with knowledge management strategies in order to increase the value of training for the Organization as a whole.

40. Although OHRM has been continuously improving its managerial training programmes, there are still too few programmes devoted to providing support and guidance for senior-most levels of management. This is especially critical when such staff are recruited from outside the Organization.

41. In spite of the growing need for training and the increase of programmes offered by OHRM, the Organization's training budget has only increased marginally over the last five years.[10] In addition, the training budget ratio for the Secretariat is still significantly smaller than that of most United Nations funds and programmes.[11]

E. Revised electronic performance appraisal system

Progress review

42. The launch of the revised online version of the performance appraisal system (e-PAS), in which several substantive improvements and technological innovations were introduced, was another step forward in the human resources management reform.[12] Currently, 3.800 registrations for e-PAS have been recorded, and complete implementation is targeted for 1 April 2003.

43. The electronic performance appraisal system not only has the potential to increase the efficiency of the process for those completing and reviewing the plan, it

can also facilitate monitoring and reporting. In addition, e-PAS can be an important tool for providing feedback and for stimulating communication between managers and staff. OHRM is undertaking further efforts to improve the feedback mechanisms as part of performance appraisal.

44. The development of e-PAS was based on extensive consultations, including focus groups and input from external experts. A survey has been conducted on "lessons learned" from the implementation and a help desk has been established. The introduction of e-PAS was driven by a communications strategy that relied on senior management leadership during the implementation process, a crucial element for successful change management. The linking of e-PAS to IMIS, the Galaxy system and other performance management tools is planned.[13]

45. The results of the OIOS survey confirmed that the introduction of e-PAS was well received — it was considered to be one of the most successful initiatives implemented since 2000. Opportunities for ongoing dialogue between staff members and reporting officers through the use of e-PAS was commended. However, the majority of interviewees stated that they were not sufficiently informed about the revised PAS and its electronic application, indicating that there is a need for further training programmes. The Department of Management responded to the draft report that *an intensive training programme will accompany the introduction of the e-PAS throughout the Secretariat in April 2003.*

Remaining challenges

46. In the view of OIOS, the application of the performance appraisal system still faces two major obstacles that require Organization-wide solutions. First, it is not always connected to how well a staff member contributes to the Organization's results nor does it generate tangible consequences. The connection between departmental and work unit goals and individual work plans is established idiosyncratically rather than being based on a systemic link to results-based management at the departmental level. OIOS encourages future initiatives to establish stronger linkages between results-based management and individual accountability for achievements. Second, e-PAS itself does not enable immediate reward for good performance. Performance appraisal does not lead to promotion nor is it linked to salaries and benefits. Strategic human resources that focus on changing the organizational culture need to link appraisal to specific tangible consequences and rewards.

47. If, however, the main purpose of e-PAS is not only a tool to appraise performance, but a method to build a culture of communication, teamwork and coherent work-planning, either further communication efforts are needed to fully promote such an understanding throughout the Secretariat or the very existence of the rating mechanism needs to be re-examined since a disproportionate amount of attention is paid by both staff and management to the rating aspect of e-PAS.

48. The performance of managers, especially in managing staff, is crucial to the achievement of the Organization's objectives. The revised PAS is introducing an option that will allow staff to provide comments on their supervisors. OIOS supports this innovation and encourages the development of more elaborate upward feedback mechanisms that would contribute to the accountability of managers and help identify needed improvements in their managerial skills.

49. Finally, OIOS encourages further efforts by OHRM to address the technical problems in the implementation of e-PAS and to assess whether it achieves its objectives of increasing performance and enhancing communication between managers and staff. If not, strategies should be developed to address these deficiencies.

F. Streamlined rules and procedures

Progress review

50. Streamlining of rules and procedures was one of the most visible initiatives recently undertaken by OHRM. All administrative documents of the Personnel Manual were reviewed, reorganized and made accessible through the Intranet.[14] A Human Resources Policy Service has been established to enhance the uniform interpretation and application of rules throughout the Organization.

51. According to the respondents of the OIOS survey, the streamlining of rules and procedures was the most successful initiative implemented since 2000. Three tools have been developed that make rules and procedures more accessible: the electronic Human Resources Handbook, the online access to SGB/AIs/ICs and the web-enabled United Nations forms. These tools received almost exclusively top ratings with regard to their usefulness.

Remaining challenges

52. Even though it is now possible to retrieve and complete administrative forms online, they are still transmitted and processed largely through a paper-based mechanism, leaving significant potential for increasing the efficiency of administrative procedures unexploited. OIOS is aware that OHRM has begun an initiative on e-Benefits and strongly encourages it to intensify its efforts, in coordination with other departments, to develop automated and employee self-service procedures.

G. Monitoring human resources activities

Progress review

53. In the report of the Secretary-General on the monitoring capacity in OHRM,[15] a description of current monitoring activities and a vision for the future was outlined. OIOS noted that OHRM has established a new Planning, Administration and Monitoring Service and that a Secretariat-wide strategic human resources management monitoring system is being developed, combining compliance and strategic monitoring.

Remaining challenges

54. OIOS supports the principle that monitoring should be a management support mechanism that also ensures the proper application of rules and procedures. Following this principle, monitoring should be integrated, results-oriented, focused and efficient.

55. With the aim of providing comprehensive and relevant information to management, different monitoring activities need to be consolidated and harmonized. This will enable the provision of integrated human resources information by department. While monitoring compliance is essential, strategic monitoring should not only focus on activities but also on results. Targeting areas that are vital to the Organization would maximize the impact of monitoring and reduce the risk of spreading monitoring activities thin by trying to ensure "full coverage".[16] The institution of exception reporting based on certain pre-defined criteria would increase efficiency in monitoring compliance with human resources policies, guidelines and practices. In this respect, establishing a risk management strategy for monitoring could enhance its effectiveness.

H. Conditions of service

56. Improving conditions of service with regard to pay and benefits as well as work and life issues is essential for promoting mobility. This is one of OHRM's next challenges. OIOS recognizes that not all issues could be addressed and/or implemented in the first years of the reform effort and that certain initiatives are of a higher priority than others.

57. OIOS noted that OHRM is planning to address a number of concerns that have impact on the performance of staff and their willingness to accept mobility as a central feature of their work. For example, OHRM is involved in an International Civil Service Commission review of pay and benefits. A Secretariat-wide work-life survey carried out by OHRM helped to identify some of the most pressing work/life issues. Improvements need to be made regarding spousal employment, security and medical facilities, contractual arrangements in field locations, host country restrictions on staff and their families, flexible work-arrangements, compatibility between work and family and the career prospects of General Service staff. Respondents to the OIOS survey also identified these issues.

IV. Progress through partnership

58. During a period of four months, OHRM and OIOS worked together to advance the human resources management reform process.

Objective

59. OIOS consulting services were requested to support OHRM in assessing and redefining its primary objectives, current roles, responsibilities and core functions and aligning them with the Office's ongoing reform efforts in shifting from its current transaction-based role to its role as a strategic, policy and planning-oriented partner within the Organization.

Approach

60. OIOS organized a series of consultations, in partnership with OHRM staff and management, who were fully engaged in the effort. The consultancy was conducted in phases. In phase I, a revised mission statement of OHRM was formulated. During

phase II, guiding principles for further implementation of envisaged change were developed and presented to OHRM senior management.

Results achieved

61. The mission statement aligns the primary objectives of OHRM with the overall reform process in human resources management. It defines the functions of the Office, its values and core principles and the benefits it expects to provide to the rest of the Organization. The statement highlights the strategic role of human resources management within the Organization and stresses the result- and client-orientation of OHRM within the framework of the Organization's competencies. It was validated internally and is in the process of being communicated to the rest of the Organization.

62. Based on the mission statement, the basic roles of OHRM were revisited and aligned. Building on three basic responsibilities, operational, strategic and developmental, concrete roles and typical activities of a reformed OHRM were developed and later consolidated in the guiding principles for change.

63. A benchmarking exercise was also conducted by OIOS to determine how other international organizations and transnational corporations define their human resources functions and allocate resources and to learn about best practices in human resources management.[17] The results validated the current as well as the future Organization-wide human resources strategy. It also revealed that while almost all private corporations have already achieved a high degree of automation and employee self-service in various areas of human resources management, only a few international organizations have done so. In addition, all respondents emphasized continuous skills development of staff as one of the main future areas of concentration in human resources management.

64. In the final phase, four guiding principles were formulated for the further implementation of change throughout the reform process:

(a) Focus on the strategic role of OHRM in building organizational capacity and promoting culture change in the Organization;

(b) Promote a steady transition to automation and employee self-service and new monitoring techniques;

(c) Provide continuous skill building for staff within OHRM to ensure they keep up with new initiatives;

(d) Effectively communicate, internally as well as externally, OHRM's partnering role vis-à-vis substantive departments and offices.

65. These principles were endorsed by OHRM senior management and form the basis of the recommended actions below.

V. Conclusions

66. OIOS is of the opinion that, although it is too early to assess the full impact of the human resources reform, OHRM has made significant progress in implementing the reform initiatives. The integrated approach to the recruitment, selection and promotion process represents a good strategy for achieving the Organization's

human resource objectives. The transition of OHRM from an administrative, oversight function to a more strategic, partnering role is also in progress and should result in a more professional, client-oriented organizational resource.

67. OHRM is committed to fully realizing all of the reform goals and recognizes that there is still much to be accomplished. OIOS, in its consultative role as well as through the present report, supports the efforts of OHRM. In order to enable even greater benefit, OIOS has offered specific suggestions for taking the reform to the next level, some of which are already being implemented within OHRM.

68. OIOS is of the opinion that, in order for the human resources management reform to succeed, the reform must be embedded in the overall reform strategy of the Organization. Departmental initiatives should incorporate OHRM in the design stages. Further, OIOS recognizes that although OHRM can take the lead in introducing new initiatives, their successful implementation on the organizational level will depend upon the mutual cooperation between different partners and bodies throughout the Organization to support a culture of change.

69. Finally, it is worth noting that, although the original reform was implemented without additional resources, in order for OHRM to provide the services the Organization requires and to accomplish objectives such as accelerating the recruitment process, automating benefits, moving to employee self-service and increasing the extent of managerial training, existing information technology and training resources may not suffice.

VI. The way forward

70. OIOS is of the view that further advancing the human resources management reform will necessitate the continuous commitment of OHRM and the Organization to the implementation of the following approach and related actions:

(a) Strategic orientation — the focus on functions and activities that the clients of OHRM need and that promote productive behaviours in the Organization should be sharpened;

Related actions:

- Ongoing client surveys and feedback mechanisms for different human resources functions need to be institutionalized in order to ensure that provided services add value to the Organization;
- Administrative responsibilities need to be balanced with exploring proactive solutions, offering guidance and strategic advice;
- Results-oriented human resources planning needs to be established with the aim of providing management with strategic information that identifies needed skills and other critical characteristics of the workforce to implement work programmes;
- Monitoring of human resources management activities needs to provide strategic support to management. While ensuring the proper implementation of human resources rules and policies, strategic monitoring needs to focus on results as well as on activities;

- Communication is a key element for the effective implementation of change. Further reform efforts in human resources management should be enhanced by an institutionalized communication strategy that systematically builds on past successes;

- Resources for training, career development and knowledge management need to be adjusted to reflect the increased demand for such activities against the backdrop of a new mobility policy;

(b) Evaluation systems — concise assessments that focus on the results of new initiatives and demonstrate OHRM's impact on the performance of the Organization need to be established;

Related actions:

- The progress of reform initiatives needs to be evaluated regularly with regard to clearly defined, expected results. Specifically, results-based measures for the new staff selection system, the mobility policy, e-PAS and career development programmes need to be developed and applied;

- Methods that measure the impact of training programmes on trainee performance need to be established;

(c) Linkages — systemic linkages need to be enhanced between the components of the human resources management reform and between parts of the larger organizational reform strategy;

Related actions:

- Stronger substantial and technical links between the Galaxy system, e-PAS, IMIS, human resources action plans, staff development activity reports and other Secretariat-wide initiatives such as results-based management need to be established when appropriate;

- Greater efforts to improve conditions of service and administrative procedures are needed to increase the attractiveness of mobility and to support staff in initiating and executing voluntary moves;

- Effective mechanisms for knowledge transfer and knowledge management need to be elaborated by OHRM and implemented at the levels of departments and units to prevent the loss of institutional memory due to increased mobility;

  With regard to the above, the Department of Management responded that *knowledge transfer and knowledge management is applicable to all departments and works units; the responsibility for elaborating mechanisms to effect such transfer should therefore be on all departments.*

- Future efforts need to be made to link e-PAS more closely to how well staff contributed to organizational goals and to make it more effective;

(d) Efficiency — mechanisms and processes that minimize resources spent on purely administrative functions need to be implemented;

Related actions:

- Automation and employee self-service with regard to human resources processes and the use of information technology need to be expanded;

- Appropriate mechanisms to cope with the increased number of applications received through the Galaxy system need to be established urgently;
- In order to stay abreast of the new challenges in human resources management and to provide requested services efficiently, capacity-building and skill development for staff in the OHRM need to be enhanced.

(*Signed*) Dileep **Nair**
Under-Secretary-General for Internal Oversight Services

Notes

[1] See A/53/414.

[2] See A/55/253 and Corr.1.

[3] See resolution, part VIII, para. 153.

[4] The questionnaire is posted on the Internet and accessible through: http://intranet.un.org/oios/survey/oios_hr_survey.htm. Respondents from 13 departments/offices and five duty stations participated in the survey.

[5] A/57/293, paras. 15-18.

[6] See A/57/414.

[7] Previous OIOS audits already addressed the insufficient planning capacity. For the latest, see A/55/397, paras. 25 and 26.

[8] For details see the information kit on the staff selection system distributed by OHRM.

[9] While OHRM estimated that in 2000-2001, 66,200 applications for vacancies at the Professional level and the General Service were reviewed (see A/56/6 [sect. 27C]), 155,000 applications were received after the launch of the Galaxy system from May 2002 to January 2003. This number of applications already doubles the projections of OHRM for the biennium 2002-2003.

[10] The training budget ratio (training budget/staff costs) increased from 0.87 per cent in 1998-1999 to 1.02 per cent in the proposed budget for 2002-2003.

[11] For example, the training budget ratio of the United Nations Population Fund for the biennium 2002-2003 is 2.2 per cent, of the Office of the United Nations High Commissioner for Refugees in 2001 2 per cent, and of the World Bank in 1999 is 4 per cent.

[12] See ST/AI/2002/3 and the "Using PAS" guide distributed by OHRM.

[13] See A/57/293, para. 54 (b).

[14] See A/57/293.

[15] See A/57/276.

[16] See A/57/276, para. 19.

[17] The benchmarking questionnaire was sent to 22 large international organizations and companies that were selected on the basis of their innovative human resources management practices. The response rate to the survey was 36 per cent.

Annex

Status of implementation of all provisions of resolution 55/258 on human resources management

Provisions of resolution 55/258	*Status of implementation*
Reaffirming provisions of resolution:	Reported in A/55/253 and A/57/293
Resolution 53/221, sect. III, para. 2 Report on the establishment of a Secretariat-wide integrated human resources planning system at the fifty-fifth session of the General Assembly	Further progress to be expected from organizational changes within OHRM
Resolution 53/221, sect. III, para. 3 Prepare study on causes of resignations of staff in the Secretariat and report to the fifty-fifth session	Only numbers of separations are reported. OHRM introduced an exit questionnaire for all staff leaving the Organization (see A/55/427, paras. 53-56)
Resolution.53/221, sect. III, paras. 5, 7 and 8 See section on mobility below	
Resolution 55/258, sect. III, para. 2 Submit definitive proposals by the Secretary-General on new contractual arrangements for consideration by the General Assembly	Subsequent to the agreement reached at Staff Management Coordinating Committee SMCC XXVI, in October 2002, and its approval by the Secretary-General, a report is being prepared for submission to the General Assembly in 2003
Resolution 55/258, sect. IV, para. 2 Ensure that highest standards serve as prime consideration for employment of staff	This has always been integral to selection of staff and continues in the current system
Resolution 55/258, sect. IV, para. 3 Submit all external vacancy announcements to the permanent missions, display on notice boards and on United Nations homepage	Vacancy announcements are posted on the Internet, providing all Permanent Missions with instantaneous access
Resolution 55/258, sect. IV, para. 3 Circulate vacancy announcements on the date of issue	The date of posting on the Internet is the date of issue

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. IV, para. 3 **Set deadline for submission of application for external vacancy announcements two months from the date of issue (30 days if unplanned) and report to General Assembly thereon**	**Vacancy announcements for posts in the Professional and higher categories are posted for 60 days; for posts in the General Service and related categories at the levels G-5 and higher for 30 days. This is included in the provisions of ST/AI/2002/4 and implemented through the Galaxy system as a standard feature. From June 2001 to June 2002 there were three unplanned vacancies for which exceptions were requested and granted**
Resolution 55/258, sect. IV, para. 4 **Circulate internal vacancy announcements to Permanent Missions**	**The staff selection system introduced on 1 May 2002 does not differentiate between internal and external vacancies. All vacancy announcements are posted on the Internet and accessible to all Permanent Missions**
Resolution 55/258, sect. IV, para. 5 **Issue a monthly bulletin electronically that would encompass all Professional and General Services vacancies in the United Nations, including peacekeeping operations**	**Vacancy announcements may be accessed by Permanent Missions for the duration of posting (i.e. from date of issue to the deadline) including generic vacancy announcements for peacekeeping operations**
Resolution 55/258, sect. IV, para. 7 **Maintain and supervise the recruitment process by OHRM, including through the appropriate screening of candidates from the viewpoint of equitable geographical distribution and the goal of gender balance**	**OHRM maintains and supervises the recruitment process. The staff selection system and human resources planning exercise has enhanced the ability of OHRM to monitor the achievement of equitable geographical distribution and gender balance**
Resolution 55/258, sect. IV, para. 8 **Make further efforts to reduce the level of unrepresented and underrepresented Member States**	**Human resources action plans set measurable objectives for recruitment from unrepresented and underrepresented Member States. Geographical distribution of staff is reviewed semi-annually by OHRM and respective departments**

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. IV, para. 8 Develop a programme and set specific targets for achieving equitable geographical representation for all unrepresented and underrepresented Member States and report thereon to the fifty-seventh session of the General Assembly	Human resources action plans define annual commitments to achieve measurable targets in respect to, inter alia, recruitment from unrepresented and underrepresented Member States The staff selection system takes into account the Organization's human resources objectives and targets. Heads of departments/offices certify that these objectives have been taken into account in staff selection decisions. Certification will be recorded online in the Gaiaxy system as submissions from heads of departments to Central Review bodies Applications received to date from 198 countries indicate that the vacancy announcements are reaching a wide audience Increased number of recruitment of successful candidates from the national competitive exams. Recruitment from national competitive examinations continues to increase, (24 in 1996-1997, 144 in 2000-2001)
Resolution 55/258, sect. IV, para. 9 Ensure highest performance when filling vacant posts in language services	This is the established practice
Resolution 55/258, sect. IV, para. 10 Continue to hold national competitive examinations for P-2 and P-3 posts	This is the established practice: national competitive examinations are held every year and the number of countries participating in examinations has increased
Resolution 55/258, sect. IV, para. 11 Continue to offer probationary appointments to all staff members who have passed the examination and to consider them for permanent appointment	This is the established practice, however, changes might be proposed in the context of the new contractual arrangements
Resolution 55/258, sect. IV, para. 12 Take concrete measures to fill vacant P-2 posts expeditiously from roster of successful candidates from the national competitive examinations	Measures are undertaken to match candidates on the roster with posts. Recruitment from the national competitive examinations continues to increase, from 24 in 1996-1997 and 144 in 2000

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. IV, para. 13 **Urges strict compliance with the principle that appointment to P-2 posts and to posts requiring special language competence for conference services be made exclusively through competitive examination**	**All appointments at the P-2 level to posts requiring special language competence for conference services are made as a result of a successful competitive examination (see ST/AI/2002/4 for reaffirmation of that policy)**
Resolution 55/258, sect. IV, para. 13 **Include in future reports information justifying non-compliance with principle of P-2 appointments through national competitive examinations**	**Non-compliance is only reported for recruitment at P-2 level for tribunals and field missions owing to non-career nature of functions**
Resolution 55/258, sect. IV, para. 15 **Ensure that candidates selected through national competitive examinations are placed in a timely fashion and that special efforts are made to recruit candidates from the national competitive examination roster against existing vacancies until these rosters are cleared**	**OHRM continues to take measures to place candidates. Departments compete for candidates from the national competitive examinations when rosters are made available**
Resolution 55/258, sect. IV, para. 19 **Pursue secondment from government service on a wider scale**	**Recruitment for policy and military functions in peacekeeping operations is contributing to secondment**
Resolution 55/258, sect. IV, para. 22 **Ensure uniform application of regulations and rules**	**Electronic human resources handbook promotes uniform application of regulations and rules. A Human Resources Policy Service has been created to enhance consistent application of rules and regulations**
Resolution 55/258, sect. IV, para. 23 **Conduct an inspection through OIOS on the issue of possible discrimination due to nationality, race, sex, religion and language in recruitment, promotion and placement and report thereon**	**Inspection has been conducted (A/57/956)**
Resolution 53/221, sect. III, para. 5 **Ensure proper mobility of staff between all the regional commissions and duty stations**	**Mobility is an integral part of the staff selection system**

Provisions of resolution 55/258	*Status of implementation*
Resolution 53/221, sect. III, para. 7 Give full consideration to the need for greater mobility in the context of human resources and include any problems in increasing staff mobility and possible measures for their solution in report on human resources management for fifty-fifth session planning	Mobility proposal was included in A/55/253 and promulgated by ST/AI/2002/4. A progress report will be submitted by OHRM
Resolution 53/221, sect. III, para. 8 Establish mechanisms towards, and implement a policy of, enhanced mobility across functions, duty stations	Mobility policy promulgated on 1 May 2002
Resolution 53/221, sect. III, para. 8 Explore possibility of enhancing mobility among organizations of the United Nations system and report to fifty-fifth session of the General Assembly	Issue of system-wide mobility is under review by the International Civil Service Commission (ICSC). OHRM participates in ICSC and subsidiary bodies. Report not yet issued by ICSC
Resolution 55/258, sect. V, para. 1 Develop further criteria for mobility	Staff selection system includes criteria for mobility within and between duty stations and for promotion to the P-5 level
Resolution 55/258, sect. V, para. 4 Develop further appropriate mechanisms for promotion with a view to introducing adequate incentives for mobility between duty stations	See resolution 53/221, sect. III, para. 5. To be eligible to be considered for promotion to the P-5 level, the requirement of two lateral moves is reduced to one only when a staff member has served in the Professional category at Nairobi or at a regional economic commission other than the Economic Commission for Europe for two years or longer, or when a staff member is applying for a P-5 position at those duty stations from another duty station
Resolution 55/258, sect. V, para. 5 Ensure that lateral mobility does not negatively affect the services required for the implementation of programmes	Activities to prevent negative impact of lateral mobility include: communication strategy to inform managers about the need to incorporate effects of lateral mobility into their human resources planning

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. V, para. 7 Submit proposals to solve problems resulting from increasing staff mobility	The system is new and the General Assembly will be apprised of the Secretariat's experience in due course. Measures currently being undertaken by OHRM: training and tools for improving career development; and information about managers' responsibilities in the staff selection system
Resolution 55/258, sect. V, para. 8 Encourage and recognize outstanding job performance	United Nations 21 awards have been created by the Department of Management
Resolution 55/258, sect. VII Before delegating authority to programme managers, ensure that mechanisms of accountability, internal monitoring and control procedures and training are in place	Delegated authority for selection decision with respect to a particular vacancy may be withdrawn from a head of department. See, in addition, monitoring report (A/57/276) and report on accountability and responsibility (A/55/270) for further information
Resolution 55/258, sect. VII, para. 6 Enhance managerial accountability with respect to human resources management decisions while safeguarding the right of due process of all staff members	ST/AI/2002/4 (annexes I and II) specifies responsibilities of heads of departments and programme managers in the staff selection process; Central Review Bodies established to ensure transparency and accountability
Resolution 55/258, sect. VII, para. 7 Improve accountability and responsibility in the reform of human resources management as well as the monitoring and control mechanisms and procedures and report on the implementation to the General Assembly at its fifty-seventh session	Reported in A/57/293, paras. 87-89; details on accountability and responsibility in A/55/270 and on monitoring activities and the Secretary-General's plan in A/57/276
Resolution 55/258, sect. VII, para. 8 Report on progress with regard to management irregularities	As stated in 57/276, para.8 (i), consultations are under way on a new administrative instruction
Resolution 55/258, sect. VII, para. 10 Report to the General Assembly on monitoring capacity of OHRM	Report has been issued (A/57/276)

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. VIII Inform General Assembly about details of eliminated documents	Reported after completion of the human resources streamlining project and development of the electronic Human Resources Handbook. Documents will be reviewed on an ongoing basis to ensure continuous updating of the existing electronic handbook (A/C.5/56/3)
Resolution 55/258, sect. X, para. 1 Ensure that no national of a Member State succeeds a national of that State in a senior post and that there is no monopoly on senior posts by nationals of any State	Some senior-level posts have already been advertised through the Galaxy system and through targeted publications aimed at ensuring that a wide geographical audience is reached. In addition, the Senior Review Group reviews D-2 level recommendations, taking into account the issues of geographical representation and gender balance
Resolution 55/258, sect. X, para. 2 Ensure at the senior and policy-making levels of the Secretariat, there is equitable representation of Member States	Statistics on geographical representation at all levels are reported annually to the General Assembly
Resolution 55/258, sect. X, para. 3 Increase efforts to improve composition of the Secretariat	Ongoing efforts through human resources planning exercise, recruitment campaigns, recruitment through national competitive examinations. See A/57/414
Resolution 55/258, sect. X, para. 4 Undertake study on the ramifications of changing the relative weights of the population factor	A chapter has been incorporated in the report "Composition of the Secretariat" (A/57/414)
Resolution 55/258, sect. XIV, para. 2 Increase efforts to achieve the goal of 50/50 gender distribution	Departmental targets in human resources action plans; heads of departments are required to take into account the Organization's human resources objectives and targets, especially with regard to geography and gender
Resolution 55/258, sect. XI, para. 4 Submit report on the possible amendments to the staff rules and regulations to review the role of the Joint Appeals Board	Reported in A/56/800

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. XI, para. 5 **Report annually on the outcome of the work of the Joint Appeals Board**	Reported in A/56/800
Resolution 55/258, sect. XI, para. 7 **Take necessary measures to close the gap between the statutes of the United Nations Administrative Tribunal and the Administrative Tribunal of the International Labour Organization**	Report on this issue was submitted by the Secretary-General (A/56/800)
Resolution 55/258, sect. XI, para. 8 **Establish clear linkage between the administration of justice and the system of accountability**	A working group has been established by the Secretary-General to address issues related to the internal justice system. In addition, a separate report on the administration of justice was issued (A/56/800)
Resolution 55/258, sect. XI, para. 9 **Take measures to recover financial losses to the Organization by wrongful actions**	Based on consultations between OHRM, the Office of Programme Planning, Budget and Accounts and the Office of Legal Affairs an administrative instruction has been drafted but its finalization and eventual issuance is pending. In the absence of an administrative instruction, no recovery can validly be effected
Resolution 55/258, sect. X, para. 11 **Report on the implementation of administration of justice activities to the fifty-sixth session of the General Assembly**	Reported in A/56/800
Resolution 55/258, sect. XII, para. 1 **Transmit recommendations of the Advisory Committee on Administrative and Budgetary Questions to the International Civil Service Commission about the package on conditions of service**	OHRM participating in comprehensive review of pay and benefits system under the auspices of ICSC as stated in A/57/293
Resolution 55/258, sect. XII, para. 2 **Study the implications of fixing the mandatory age of separation to 62**	Report has been prepared (A/56/701)

Provisions of resolution 55/258	*Status of implementation*
Resolution 55/258, sect. XIII, para. 3 Report to the General Assembly at its fifty-seventh session on the implementation of proposals on performance management and career development	Reported in A/57/293